



**SO ORDERED.**

**SIGNED this 15 day of July, 2009.**

**THIS ORDER HAS BEEN ENTERED ON THE DOCKET.  
PLEASE SEE DOCKET FOR ENTRY DATE.**

A handwritten signature in cursive script, reading "Marcia P. Parsons", is written over a horizontal line.

**Marcia Phillips Parsons  
UNITED STATES BANKRUPTCY JUDGE**

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**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF TENNESSEE**

**IN RE:**

**APPALACHIAN OIL COMPANY, INC.**

**Debtor**

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**CASE NO. 2:09-bk-50259  
Chapter 11**

**O R D E R**

Upon the Debtor's Motion for Authority to Implement Key Employee Retention Program (the "Motion") and there being no objection by any creditor or other party-in-interest, **IT IS HEREBY ORDERED:**

1. That the Motion if **Granted**;
2. That the Debtor is authorized to establish and implement a Key Employee Retention Plan (the "KERP") as described in the Motion with the exceptions that no employee will be eligible to participate in or to otherwise obtain any benefit under the KERP if: (a) the

employee is not employed, for any reason, by the Debtor at the time of the completion of the sale transaction (as described in the Motion, or (b) the employee is employed by any buyer of any assets of the Debtor acquired as part of such sale process; and

3. That any Eligible Employee (as defined in the Motion and as modified by this Order) due any severance benefits under the KERP is granted administrative expense priority pursuant to 11 U.S.C. § 503(b)(1)(A), superior in priority to all other administrative expense claims, except the Superpriority Claim heretofore granted to Greystone Business Credit II, L.L.C. and the fees of the United States Trustee, both of which shall have equal priority with any administrative expense claim for an Eligible Employee under the KERP.

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**APPROVED FOR ENTRY:**

**s/Mark S. Dessauer**

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